

U. S. TREASURY DEPARTMENT
Internal Revenue Service
Washington 25, D. C.

Alcohol and Tobacco Tax Division
Industry Circular No. 55- 3

February 7, 1955

The Use of Conspicuous Net Content Statements
on Odd Size Malt Beverage Containers

To members of the brewing industry
and others concerned:

1. When Regulations No. 7, Relating to Labeling and Advertising of Malt Beverages, were adopted in 1936, no provisions were made for standards of fill, as was the case initially with the distilled spirits labeling regulations and later with the wine labeling regulations so far as domestic wines are concerned. The omission of such standards from the malt beverage labeling requirements apparently resulted from the fact that containers for these products seemed well standardized and, with the exception of specialties and negligible quantities of beer and ale packaged in so-called "splits," were predominantly limited to the twelve-ounce, quart and two-quart containers, with the eleven-ounce container being used in limited areas of the West. This situation has continued relatively unchanged until quite recently.

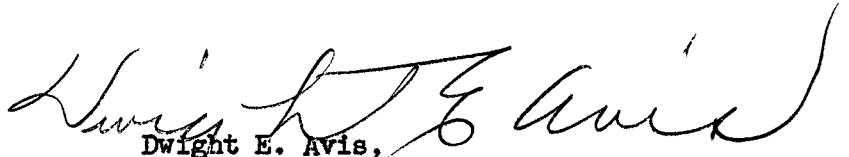
2. Late in 1954, however, certain new containers, differing in net contents from the traditional cans and bottles, began to appear upon the market. One of these was the four-fifths quart and others were the ten and eleven-ounce cans. It has been rumored that still other sizes may make their appearance before long.

3. The Alcohol and Tobacco Tax Division is considering the advisability of holding a hearing looking toward the adoption of standards of fill for malt beverages, the determination as to which will be dependent, in part, on the results of a consumer survey which is now being undertaken. Pending a decision in this matter and effective immediately, the new odd size containers will be required to bear very large and conspicuous statements of net contents on their labels in order to minimize any consumer deception which may result from the consumer's relative lack of familiarity with these sizes and their confusion in his mind with similar and larger containers to which he is accustomed. It is considered that the mere blowing of the net contents statement in the base of a glass bottle does not constitute sufficient conspicuousness in the case of these new sizes, but that the statement should appear in large type upon a neck or other front label and that, in the case of cans, the statement should appear with striking conspicuousness in a horizontal rather than a vertical position. All cans

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and labels for the new small sizes should be presented to the Division for approval, regardless of the instructions on the label application form (Form 1647), and will henceforth be judged by these standards. Labels and cans already in use should be appropriately revised with all possible promptness.

4. Inquiries in regard to this industry circular should refer to the number thereof and the symbols O:AT:B.

A handwritten signature in cursive script, reading "Dwight E. Avis". The signature is written in dark ink and is positioned above the printed name and title.

Dwight E. Avis,
Director, Alcohol and Tobacco Tax Division.